



COUNTY OF HUMBOLDT

For the meeting of: 7/9/2019

File #: 19-1015

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Supplemental Budget for Motor Pool Fiscal Year 2018-19 (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the attached supplemental budget for Fiscal Year (FY) 2018-19.

SOURCE OF FUNDING:

Motor Pool 3500

DISCUSSION:

Motor Pool-Operating budget unit (3500350) maintains the County of Humboldt's vehicle fleet. Motor Pool maintains an internal service fund (Fund No. 3500) that is separate from the General Fund for operating expenses. This agenda item is requesting a supplemental budget transfer from the Motor Pool Fund to cover additional expenses incurred during FY 2018-19. The increase in costs is due to an increase in fleet size, central service charges, fuel consumption and maintenance of equipment. As vehicles are added, costs will increase exponentially to maintain them.

FINANCIAL IMPACT:

The total amount required for the supplemental budget is \$200,000. There is no impact to the General Fund.

There is currently a balance of \$2,673,360 in Fund No. 3500. Adoption of the supplemental budget will transfer \$200,000 from the Motor Pool fund to cover the unanticipated increase in costs for fuel, maintenance of equipment and central service charges for FY 2018-19.

The operating rates for Motor Pool are recalculated at the beginning of each fiscal year. Rates change depending on the costs incurred in the prior fiscal year. The annual recalculation ensures that the Motor Pool 350 internal service fund stabilizes, and recoups funding pulled from the fund balance throughout the fiscal year.

STRATEGIC FRAMEWORK:

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This action supports your Board's Strategic Framework by managing our resources to ensure sustainability of services

OTHER AGENCY INVOLVEMENT:

Auditor

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the supplemental request. This is not recommended as costs have already been incurred in FY 2018-19.

ATTACHMENTS:

- 1) Supplemental Budget

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A